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ABSTRACT

This report outlines the history and implementation of a voucher program in Cleveland, Ohio. It describes the difficulty educational reformers encounter when trying to place any public initiative on the ballot, and the importance of using the legislative process to implement a voucher system. The text describes the opposition to vouchers and how the support of the governor was essential in pushing voucher legislation through the legislature. Some of the key components of that success were: bipartisan support; a grassroots-support campaign organized by parents; the inclusion of vouchers as part of the overall budget rather than as a stand-alone bill; and the compromise in implementing the voucher system in one city rather than in the whole state. One of the unique features of the Cleveland voucher program was its inclusion of religious schools. It allocated $2,250 per student, and students below 200 percent of the poverty line qualified for the full 90 percent subsidy. Implementing the program proved challenging, and hiring an effective program administrator was essential to the program's initial success. Some of the hurdles that presented themselves were difficulties in sharing details of the program with a populace that largely did not read the newspaper, transporting students, and court challenges. (Contains 120 references and notes.) (RJM)

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Giving Choice a Chance:

Cleveland and the Future of School Reform

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September 1998

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Giving Choice a Chance:

Cleveland and the Future of School Reform

Executive Summary

In June of 1994, Ohio Governor George Voinovich signed into law the country's first voucher program to include sectarian schools. Voucher programs allow student-recipients and their parents to use government funds reserved for education to choose a public or private school. Ohio's program targeted several thousand low-income residents of Cleveland for eligibility. Bringing school choice to inner-city Cleveland was the result of the persistent legislative efforts of lawmakers, grassroots activists and school reformers statewide. In light of the growth of the nationwide movement for school choice, Ohio's experience offers key lessons for school reformers both in and outside of the Buckeye state.

- Ohio's legislative success for school choice contrasts with ballot failure elsewhere.
- Since most states prohibit ballot initiatives and most students, especially poor students, live in non-ballot states, the legislative route is often the only school choice option.
- Legislative efforts in Ohio began slowly in the 1980s after policymakers took notice of deteriorating inner-city schools.
- In 1992, the Governor's Commission on Educational Choice laid important groundwork for building popular and business community support for vouchers.
- A bipartisan coalition of lawmakers in the Ohio General Assembly submitted various stand-alone voucher bills throughout the early 1990s.
- Ultimate voucher victory was due to community-based appeal, inclusion in the overall budget bill, and the expense of political capital by a popular and newly re-elected governor.
- Heading into its third year, the Cleveland Scholarship and Tutoring Program is a success with parents, students, teachers and the Cleveland community.

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Table of Contents

Title	Page
Introduction	1
Pilots and crusades	2
Laying the groundwork	4
False starts	7
Lobbyists for the status quo	9
The push for vouchers	11
The Governor leads	13
Details of the program	15
Inventing the wheel	18
Transportation headaches	20
The HOPE academies	23
The results	26
Challenge in the courts	29
The future	32
Appendix: Addressing the findings of the Indiana University study	34
References and notes	38

Introduction

"We're in a fight. If you let it happen here, it can happen anywhere else in the nation. The whole nation is watching us to see if we allow it." [1]

U.S. Congressman Louis Stokes at an April 1995 anti-voucher rally

On January 8, 1996, Ohio held a lottery unlike any that was ever seen. The reward would not be money, toys, or other material prizes. For the first time in the Buckeye state's history, poor children would be given the opportunity to attend the schools of their choice. These children were slated to start school later that year in the worst public school system in the state, the Cleveland City School District.

The prospect of sending a child into the Cleveland public schools was a grim one. Test scores were among the lowest in the state. Only one in fourteen eighth-graders graduated on time from high school with senior-level academic proficiency[2] — the same proportion who were victimized by crime every year in those schools.[3] One analysis found that 14 to 25 schools were "beyond repair" and should be abandoned.[4] In one decrepit building, Audubon Middle School, a ceiling collapsed on a social studies classroom.[5] More than 600 building and fire code violations in schools were on file at City Hall, some of them more than 10 years old. By March 1995, the Cleveland public schools had exhausted their annual budget of $500 million and were $125 million in debt. The entrenched bureaucracy managing the system was hostile to reform. A federal judge put the schools into receivership.[6] According to Mike Fox, the former Chairman of the Ohio House Education Committee, there was "pretty much no contest that Cleveland was the worst system in the state."[7] "The public schools," one Cleveland mother added, "are preparing black children for prison, the welfare office or the graveyard."[8]

But, for thousands of Cleveland children that cold day in January, school choice offered an alternative; one developed through the persistent legislative efforts of lawmakers, grassroots activists, and school reformers statewide.

"The public schools," one Cleveland mother said, "are preparing black children for prison, the welfare office or the graveyard."

Pilots and crusades

A majority of the country's children, including most poor children, live in states without citizen initiatives.

Voucher proponents' success in moving the program through the Ohio legislature contrasts with failure in states that have attempted ballot initiatives and referenda. In every state in which they have been tried, including Oregon, Colorado, and California, vested interests have defeated ballot initiatives for school choice. In California, the voucher referendum failed when opponents, primarily the California Teachers Association,[9] were able to convince suburban Republicans that such a measure would ruin neighborhood schools.[10] Public disinformation and demagoguery knew few bounds in California, as unions and other special interests spread rumors and outright falsehoods in a $12 million campaign against school choice.[11]

Crude appeals to sensationalism and voter manipulation may work in states where vouchers are placed before voters statewide, but they ultimately proved to be ineffective in the Ohio legislature.

While the efforts of ballot crusaders are unquestionably laudable, the ballot initiative is simply not an option in most states. Twenty-six states, in fact, prohibit citizen initiatives.[12] A majority of Americans — 138.7 million, or 52 percent — do not have the option of a citizen initiative for school choice.[13] Furthermore, a majority of the country's children, including most poor children, live in states without citizen initiatives.[14]

The odds of winning any ballot initiative are slim. Of 519 petition efforts in 22 states in 1994, only 76 actually were placed on ballots that year, and only 25 passed. An estimated $140 million was spent on those 25 campaigns — an average of $5.6 million per campaign, with a success rate of less than 5 percent.[15]

This assumes that school choice advocates could even get their initiative on the ballot. Just to have an opportunity to approve school choice, initiative supporters must first obtain a large number of signatures of registered voters on petitions. In Oklahoma, for instance, school choice advocates would need over 181,000 valid signatures in just 90 days for a constitutional amendment. Massachusetts advocates would have just 64 days to collect over 64,000 valid signatures for a constitutional amendment.[16] The amount of volunteers' time to gather these signatures — or, alternately, the amount of money needed for a specialty firm to do the same — is an enormous hurdle for school reformers. Clearly, the initiative route requires a tremendous amount of time, energy, and money — with a slim chance of success at the end of the process.

As Jeanne Allen of the Center for Education Reform points out: "When you look at initiatives — and not just on the voucher issue — a rule of thirds applies. You have one-third of voters with strong sentiments in favor of an initiative, another third strongly against, and a swing group in the middle. While this creates the impression of an even split between 'yes' and 'no' votes, this impression turns out to be an illusion." Allen continues by arguing that "initiatives aren't necessarily like other campaigns. People tend in initiatives to put the burden on the 'yes' side. If you don't have a strong belief that the initiative is a good idea, you vote 'no'. That's the responsible thing to do."[17] Voucher initiatives, therefore, cluster around 33 percent of the vote: Oregon (1990), 33 percent; Colorado (1992), 33 percent; California (1993), 30 percent; and Washington state (1996), 36 percent.

The lesson learned from Ohio's success is clear: the legislative process, not the ballot-initiative process, is likely to be the most effective way for school choice efforts to triumph. Following Ohio's lead, and Wisconsin's earlier victory for the Milwaukee pilot program, Texas legislators — with no initiative process available — proposed a school voucher bill in 1997 that would offer freedom of choice to many Texas students. The bill narrowly failed in the legislature with a 68-68 tie. Texas Republican state representative Mike Krusee states that the Cleveland victory "boosted morale for everyone across the country, especially here in Texas. Cleveland showed that Milwaukee wasn't an anomaly."[18]

Other states have also followed with legislative efforts. Pennsylvania Democrat state representative Dwight Evans has sponsored a bill to offer vouchers to students in Philadelphia's low-performing public schools. In New Mexico, Republican Governor Gary E. Johnson unveiled a school reform plan that included vouchers. Indiana has unveiled a tax credit proposal for school choice and Arizona and Minnesota have already passed them.[19] It is no coincidence that the strongest school choice measures in the country — Cleveland, Milwaukee, and most recently both Arizona and Minnesota — have come through successful legislative efforts.

Regardless of the form school choice takes, Ohio's success provides crucial lessons for other states, especially those for whom the legislative process is the *only* option.

Of 519 petition efforts in 22 states in 1994 only 76 actually got on ballots that year and only 25 passed.

Laying the groundwork

Educational vouchers have been discussed for more than two centuries. Adam Smith explored the concept in *The Wealth of Nations*. Thomas Paine discussed it in *The Rights of Man*. The idea appeared in the Virginia school bill of 1779 authored by Thomas Jefferson, viewed by many as the father of public education in the United States.[20] But despite this initial burst of attention, vouchers were seldom considered by policymakers.

This began to change in the late 1970s. Not until then — years after scholars began noting serious signs of educational failure in public schools — did vouchers become a part of the discussion of policy alternatives in the Ohio General Assembly.

Patrick Sweeney, a Democratic member of the House of Representatives, had offered a bill in the late 1970s proposing vouchers. Legislators viewed the proposal as an intriguing thinkpiece, but it received little serious attention. Another proposal involving vouchers appeared in a bill offered in 1989 by Cooper Snyder, a Republican state senator. Chairman of the Senate Education Committee, he based the bill on the recommendations of then-Governor Richard F. Celeste's "2000 Commission." That commission had reviewed problems with numerous aspects of the public education system, and the 1989 bill sought to address the problems identified by the commission.

Senator Snyder recognized that there was "no way politically we could bring vouchers into the reform" in the late 1980s.[21] At one appearance, a hostile teachers union audience booed him off the stage.[22] But the inclusion of vouchers in his 1989 bill provided important leverage to accomplish other, more limited and politically plausible reforms, like interdistrict open enrollment, expansion of opportunities for noncertified instructors, and proficiency standards.

A convert to vouchers: Cooper Snyder

Before retiring in March 1996, Republican Cooper Snyder had more than 30 years experience in public school education: 13 years as school board member, nine years Ohio Senate Education Committee member, and finally eight years as chairman of the Ohio Senate Education Committee. By the late 1980s, he was a voucher supporter.

"Try as you will," he says, "you cannot make the government schools do the job. The only way to deal with it is to introduce innovation through parental choice."

"Money won't do it," he adds. "One of the last things I did was have the Legislative Budget Office put together a sheet that rates every school district on proficiency and everything you can think of, and nothing correlated with spending."

The minor reforms accomplished through these and other means in the 1980s and early 1990s did little to alleviate the worsening crisis in public schools. As the need for more fundamental reforms became evident in the early 1990s, vouchers received more attention. When Republican George Voinovich ran for Governor in 1990, he spoke out in favor of educational vouchers. Although vouchers never became an election issue in 1990, Voinovich was elected by a convincing margin over Democrat Anthony Celebrezze, who opposed them.

It became clear during his first gubernatorial term that Voinovich did not view vouchers as just a campaign slogan. He took the idea seriously. In 1992, he established a "Commission on Educational Choice" to explore the issue. The Governor anticipated that most legislators would react to any possible voucher proposal with skepticism. The commission's role, therefore, would be to accustom legislators to the idea, to advise them about the specific form that a voucher program might take, and to act as a source of information to allay legislators' fears.

The Commission on Educational Choice began its work in April 1992, with David Brennan, an Akron businessman and outspoken proponent of vouchers, chairing it. Brennan was not reluctant to let his own enthusiasm for vouchers, which most of his colleagues shared, affect the Commission's deliberations. "We weren't there to debate whether there should be such a plan," Brennan later said. "We weren't there to debate whether the idea was good or bad. We were there to debate, having accepted that something should be done, what should this be?"[23]

The Commission hired four staff assistants to help with the research, and requested input from 16 outside experts. Commission members traveled to Milwaukee to see first-hand the pilot voucher program underway there, and to meet Annette "Polly" Williams, the inner-city Democratic legislator who led the push for that program. They heard testimony from members of the Ohio Senate's Education Committee, from one of the House sponsors of the 1992 voucher proposal, and from Tim Ehrgott, the director of an Indianapolis-based private trust that dispensed need-based

Members of the Governor's Commission on Educational Choice

The mission of the Commission was to provide a practical framework for a program of school choice. Its members were:

David L. Brennan (Chair), Akron
Sharon Bennett, Fremont
John W. Berry, Dayton
Ron Budzik, Dayton
L. Clifford Craig, Cincinnati
Jean R. Droste, Columbus
Bruce Feldman, Dayton
Dr. Lucille G. Ford, Ashland
Rev. Ronald J. Fowler, Akron
Dr. Stephen T. House, Dayton
Arthur Kobacker, Columbus
Allan Krulak, Cleveland
William G. Lyden, Youngstown
Robert W. Mahoney, North Canton
John McConnell, Columbus
Harold McMaster, Perrysburg
Samuel Miller, Cleveland
Dennis Minshall, Columbus
Pat Mitchell, Cuyahoga Falls
Thomas Noe, Sylvania
Jack Partridge, Cincinnati
Joseph A. Pichler, Cincinnati
Burnell Roberts, Dayton
Dr. Richard Ross, Reynoldsburg
Ralph Schey, Westlake
Dr. Steve Scovic, Fairborn
Stan Sobel, Belmont
Charles Taylor, Cleveland
Harry Winch, Minster

scholarships to low-income students for use at private elementary schools. The commission retained a consulting firm, A.T. Kearney, to determine the possible cost and impact of a pilot voucher program in Ohio.

The Kearney report, analyzing data from the Akron public schools, found that the average cost of educating a public school student in 1992 was $5,390.[24] An appropriate amount of a voucher for levels K through 8, the report said, would be $2,215, with the amount for high school students at $3,971.[25] The report projected that such vouchers might motivate as many as 45 percent of public school students to switch to private schools.[26] New private schools could be established by private educators to accommodate the large number of voucher students seeking private alternatives.[27] The total statewide savings, according to the Kearney report, could be as much as $600 million a year.[28]

The total savings from a statewide voucher program, according to the Kearney report, could be as much as $600 million a year.

False starts

As the Commission on Educational Choice began its work, Governor Voinovich gave his support to a bill to institute a pilot voucher program in eight of Ohio's largest and most educationally-deficient cities.

The 1992 bill's Senate sponsor was Cooper Snyder. In the House, the bill had three co-sponsors: Republican Michael Fox and Democrats Patrick Sweeney and Daniel Troy. The bill called for a pilot voucher program involving 3,000 children, of whom 2,000 were to be from Ohio's eight biggest cities — Cleveland, Cincinnati, Columbus, Akron, Toledo, Dayton, Youngstown, and Canton.[29]

Fox, one of the most energetic House co-sponsors, had tried before to institute voucher programs through what he termed "legislative guerrilla tactics."[10] Once, for example, he had proposed a voucher program that would allow deaf students to attend a well-regarded private school for the deaf in the Cincinnati area. But that proposal, like his others, failed.[11] "In budget after budget," he recalled, "I tried to get amendments, and they didn't even get consideration. They'd be laid on the table."[12]

In promoting the 1992 bill, Fox emphasized the fact-finding, pilot nature of the program. "This is a study," he said. "It is not an attack on the public system. It's an opportunity to strengthen and improve the public system."[13]

The support of Democrats was especially crucial, since they controlled the House. But in 1992, top Democratic leadership was uniformly hostile to vouchers. Fox hoped to soften their hostility by enlisting co-sponsorship from Sweeney and Troy. Democratic leaders responded by taking extraordinary steps to bring reformers back into the party's anti-voucher discipline. When he co-sponsored the bill, Sweeney was the chair of the House Finance Committee. When he refused to compromise his commitment to educational choice, he was eventually stripped of his position in the Democratic Caucus in the House and ostracized by party leaders. He nonetheless remained steadfast in his support for vouchers. "I'm for kids, not educational institutions," Sweeney said.[14]

The 1992 bill eventually died in committee, with no hearing and no vote in either chamber of the General Assembly. But reformers in the House did not give up. In early 1993, soon after the Governor's Commission issued its final report in favor of vouchers, Fox sponsored H.B. 564. It incorporated many of the same features of the 1992 bill, but in more detail. H.B. 564 would give school districts the ability to opt into the program if they wished, and would give special preference to children from low-income families or families in problem districts. It would exclude private

"I'm for kids, not educational institutions."

- Patrick Sweeney, Ohio legislator

"If the governor does support vouchers, I expect we would no longer be able to support him."

- Tom Mooney, president, Cincinnati Federation of Teachers

schools run by irresponsible or anti-social groups, and would permit private schools to adhere to long-standing policies favoring admission of current students and their siblings.

Governor Voinovich gave his backing to H.B. 564, as he had done with the similar 1992 bill. Hostile interest groups, particularly teachers unions, sensed the momentum building for vouchers. They accordingly made opposition to vouchers a higher priority. Unions threatened to withdraw their backing for Governor Voinovich despite their past blessing. "If the governor does support vouchers," said the president of the Cincinnati Federation of Teachers, "I expect we would no longer be able to support him for re-election next year."[15]

House Democratic leadership was able to kill H.B. 564, as they had the 1992 bill, by letting it die in committee. Proponents had hoped the bill would be routed through Patrick Sweeney's Finance Committee where it would receive more favorable treatment. Sweeney could be expected to shepherd the bill through the committee and then force a vote. But House Speaker Vern Riffe, a master of machine politics, routed the bill instead to the Education Committee, chaired by school choice opponent Ronald Gerberry. The bill died in Gerberry's committee without a vote.

The cumulative impact of the Governor's Committee, the Kearney Report, and the 1992 and 1993 bills began to influence the direction of legislative efforts for vouchers. Because of the activities of Governor Voinovich, David Brennan of the Commission on Educational Choice, Cooper Snyder, Michael Fox, Patrick Sweeney, and other educational reformers, vouchers were beginning to be taken seriously. Important groundwork for future educational change had been laid.

But the toughest obstacles still lay ahead.

Lobbyists for the status quo

The toughest obstacle was an entrenched, politically powerful education establishment.

The leading players were the teachers' unions. In Cleveland, that union was the 6,500-member Cleveland Teachers Union Local #279, an affiliate of the Ohio Federation of Teachers (OFT).[36] Elsewhere in Ohio, it was the Ohio Education Association (OEA). Like their national counterparts, the OFT and the OEA were visibly opposed to any form of vouchers. As public choice theorists in economics have observed, special interests like the OEA and OFT are beneficiaries of concentrated benefits and diffused costs. They therefore have an incentive to use the political process to secure advantage over their fellow citizens.[37]

The unions used membership dues to pay a seasoned corps of professional staff, lobbyists, and political organizers to monitor reform efforts and to keep legislators and local school districts in line.[38] During 1997, the OEA collected $27.4 million in dues, with $22.3 million(over 81 percent) going toward cash compensation and benefits of staff members.[39] With 240 full-time equivalent employees, the OEA employs 13 "consultants"[40] who make an average income of $135,073 and who spend much of their time on political organization.[41] The OFT and the OEA had no interest in diverting money away from the public school trough at which they fed. To them, the public schools' monopoly on public school children was inviolable. The only "reforms" to receive the unions' blessing were those which simply sent more money to the union-dominated public school system. As one legislator put it, "These people would die on the barricades to prevent competition."[42]

Although the average teacher in Ohio earned $49,354 in cash compensation and benefits during 1997, the average OEA staff member earned $91,670, with 28 staff members earning over $100,000 and nine earning over $140,000.

*see endnote 39.

Other special interests adopted the union's position. The State Board of Education came out against the 1992 voucher plan, alleging that it would "direct millions of dollars from an underfunded public school system."[43] Board President Oliver Ocasek proclaimed, "This plan is the greatest threat to public schools we have ever faced."[44] The AFL-CIO, the Ohio PTA, and the Ohio School Boards Association also adopted the union argument. In February 1994, they and the OEA formed a new lobby organization that they dubbed "Citizens Against Vouchers."[45] One co-sponsor of the 1993 bill observed: "We had suburban Republicans whose superintendents had convinced the PTA that their school districts would be destroyed."[46]

Voucher proponents had few academic studies in 1992 and 1993 to back up their proposal, and little money with which to counter the unions' attack. The voucher proposal never had a realistic chance: the 1992 bill died in the House Education Committee without a hearing.

The powerful pressure-groups arrayed against change made vouchers seem only a pipe-dream. Once again, it looked like the only "reforms" that the lobbyists for the status quo would permit were simply proposals to lavish more money on the failed system. Insiders were sure that the voucher idea was as dead as every other reform effort that preceded it.

But those insiders underestimated the determination of voucher advocates.

"We had suburban Republicans whose superintendents had convinced the PTA that their school districts would be destroyed."

The push for vouchers

One lesson voucher proponents drew from these early false starts was simply that vouchers had too many foes and not enough friends in the General Assembly. During the next electoral cycle, voucher advocates resolved to make a conscious effort to unseat the former and to elect more of the latter.

As the 1994 elections approached, voucher advocates targeted specific races for extra effort. Taking a page from House Speaker Vern Riffe's playbook, they selected fourteen open seats and focused their effort there. The strategy worked. The 1994 elections brought a change of parties in both the House and the Senate. Of the fourteen races targeted by voucher supporters, voucher-friendly candidates won ten. Citing the ballot success of pro-voucher candidates, Michael Fox, who had co-sponsored the 1992 and 1993 bills,[47] acknowledged: "We have not had one person actually defeated over this issue."

With new, voucher-friendly legislators in both houses, and with important groundwork having been laid during the previous session, voucher advocates proposed another bill. Learning from the failure of the 1992 and 1993 bills, both of which had been stand-alone proposals, the new 1995 bill was included as an appropriation in the overall budget bill.[48]

Governor Voinovich threw his support behind the renewed voucher effort, bolstered by a resounding re-election. Once again, he suggested legislation to establish a pilot program in Ohio's eight biggest cities. "He didn't let go," said former Special Assistant Paul Pelagyi. "He said 'This is something that I feel is important. This is something that has to happen.'"[49] Though he was a practical politician skilled in the art of give-and-take, Governor Voinovich made it clear that vouchers were a priority. "There was no bargaining," said Pelagyi.[50]

But the renewed effort for vouchers in 1994 also had one other ingredient that had been lacking the previous session. A genuine grassroots movement arose in inner-city Cleveland for the sole purpose of promoting vouchers — a movement which surprised friends as much as it did enemies.

In late December 1994, Cleveland Councilwoman Fannie Lewis and The Buckeye Institute for Public Policy Solutions, a Dayton-based think tank, organized a "Summit on Vouchers" in the basement of a church in Cleveland's Hough neighborhood. The Hough neighborhood Lewis represented was one of the poorest in the city. More than 200 people packed into the crowded church basement for the summit.

"We have not had one person actually defeated over this issue."

- Michael Fox, Ohio legislator, on school choice and the '94 elections.

"You didn't come down here to beg. You came down here to tell people what you want. This is serious business. We ain't playing."

- Fannie Lewis,
Cleveland City Council

The crowd of neighborhood parents listened to Polly Williams, the Milwaukee legislator who had promoted vouchers in that city. Williams explained how vouchers had worked in Milwaukee and then rallied the audience to the idea of school choice. Her fiery speech ended with an admonition that the assembled parents not just request the right to choose their children's school, but that they demand it.

The summit brought a burst of favorable media attention. The legislative efforts of 1992 and 1993 had gone virtually unnoticed by the press. The summit, by contrast, was headline news, with both the Cleveland *Plain Dealer* and *Wall Street Journal* noting Fannie Lewis and her interest in vouchers. TV and radio reporters interviewed Ms. Williams and Ms. Lewis, both of whom expounded energetically in favor of school choice. Clevelanders who had never heard of vouchers contemplated the possibility. According to one observer, the summit was "a turning point in public opinion."[51]

Soon afterward, 300 Cleveland parents mobilized for a January 31, 1995 bus trip to Columbus to demonstrate in front of the Statehouse. "You didn't come down here to beg," Fannie Lewis told supporters. "You came down here to tell people what you want. This is serious business. We ain't playing."[52]

The Cleveland parents invaded the statehouse "like a small army,"[53] knocking on legislators' doors and handing out leaflets. They passed out hundreds of letters saying that vouchers were urgently needed in Cleveland, and they confronted unsympathetic lawmakers who tried to avoid them. Fannie Lewis debated Jeffrey Johnson, a Cleveland Democrat and opponent of vouchers who represented Hough in the Senate. At one point, Lewis yanked the microphone from Johnson. Ignoring his demand for an apology, she thundered that "no legislator in his right mind is going to tell us that we can't have a choice."[54] Supporters roared their approval, and news cameras captured the spectacle.

The Cleveland parents showed, in full view of eager news cameras, that educational choice had strong support in the districts affected by the proposal. Vouchers now had a human face.

The Governor leads

The activist parents from Cleveland found a champion in Governor Voinovich. As the former mayor of Cleveland, the Governor knew firsthand the problems faced by the Hough neighborhood parents who came to Columbus.

Despite the Governor's efforts, it became clear that the eight-city approach was still too big a pill for legislators to swallow. Rather than concede the voucher concept, Governor Voinovich responded by reducing the proposal's geographic scope. The governor suggested the adoption of a pilot program in a single city. The city that he and other voucher proponents chose was the one whose parents had agitated most outspokenly for educational choice, and whose public school system had failed the most tragically — Cleveland.

The new strategy worked. Opponents in the House Finance Committee tried, and failed, to kill the program entirely. They tried, and failed, to deprive it of funding from the state's impact aid fund. They tried, and failed, to require participating private schools to conform to all state mandates applicable to public schools. After the voucher proposal withstood these attacks, it received the committee's approval by a 19-to-10 margin.[55]

Sensing the threat to their monopoly over Cleveland's inner-city children, the teachers' unions stepped up their opposition. The OEA, the OFT, the State Board of Education, and the Ohio PTA were now joined by the Cleveland Teachers Union Local #279 and the Metro Cleveland Alliance of Black School Educators for a rally in Cleveland on April 1. But the unions were able to cajole only about 150 members into attending.[56] Unimpressed, the House passed the budget bill containing the voucher appropriation in April by a 57-to-41 margin.[57] The measure, moreover, was bipartisan. Patrick Sweeney and six other Democrats resisted pressure from their party's leaders and voted for the bill.

The Senate, however, proved more vulnerable to union pressure. The voucher proposal was stripped from the budget bill. The budget passed by the senate made no appropriation for vouchers. A House-Senate conference committee then convened to work out the inconsistencies.

During the conference committee's deliberations, Governor Voinovich's leadership proved most crucial to the bill. He had amassed huge political capital with his re-election, and was being mentioned as a possible candidate for vice-president. He now spent some of that political capital to assure the inclusion of vouchers in the budget.[58]

The city voucher proponents chose was the one whose public school system had failed the most tragically — Cleveland.

His efforts worked. The budget proposal that emerged from the conference committee provided for vouchers. Both houses passed the revised budget bill on June 29. Governor Voinovich signed it the next day.[59]

The voucher program — called the "Cleveland Scholarship and Tutoring Grant Program" — was now law in Ohio.

Why the 1994 school choice bill passed

- More voucher-friendly candidates elected to office
- Geographic scope of proposal narrowed to the state's most troubled city
- Vouchers included as part of overall budget rather than as stand-alone bill
- Voucher program not compromised by eliminating key provisions
- Grassroots support from parents to lend an emotional appeal to the effort
- Bipartisan support
- Hard-line negotiating by popular governor

Details of the program

The pilot voucher program was an historic "first." Milwaukee had experimented with vouchers, but it was first limited to non-religious schools. The Cleveland program was the first ever to be enacted through the conventional legislative process to include religious schools.

The heart of the program is a voucher worth up to $2,250, or 90 percent of a $2,500 tuition bill. Students below 200 percent of the poverty line qualify for the full 90 percent subsidy. Students above 200 percent qualify for a 75 percent subsidy. In the first years of the program, only students in grades K through 3 were eligible. As those students progress through the remaining grades of grammar school, they will remain eligible for vouchers. No more than half the available vouchers may be awarded to students who were already attending a private school in the year of application. If the program is terminated, a grandfather clause will allow participating students to receive vouchers through the 8th grade. Private schools are prohibited from selectively increasing tuition for defunded former voucher students beyond the increase imposed on other students.

Another provision awards severance pay or early retirement incentives to Cleveland public school teachers if their jobs are made redundant by the program. Cleveland public schools are also granted full reimbursement from the Department of Education or any added costs incurred providing transportation to voucher students.

Key features of the Cleveland scholarship program

- $2,250 per student
- Participating schools may not practice or promote illegal discrimination
- Vouchers for K-3 students in first few years, to be expanded later through 8th grade
- Private schools may give priority in admissions to present students and their siblings
- Second priority to students from low-income families until 20 percent of any given class meets that description
- Vouchers redeemed by parents themselves to allay First Amendment concerns

Participating private schools are allowed to give first priority in admissions to students already enrolled there the previous year and to their siblings. This reflects the policy of the Catholic schools of assuring that all children within a given family receive substantially the same education. After that, priority is given to low-income children until a maximum of 20 percent of any given class consists of children from families at or below 200 percent of the poverty line. Schools then may give priority to students whose parents belong to organizations that support the school. Any remaining available spaces are to be filled by random lottery.

To be eligible, schools must observe basic non-discrimination requirements and be handicap-accessible. They must enroll at least 25 students in each grade in which voucher students will participate. They cannot advocate unlawful behavior or promote ethnic or racial hatred. And they must permit low-income families to discharge their obligation for any extra tuition — capped at 10 percent of total tuition — by providing labor or other in-kind contributions to the school.

The vouchers or "scholarships" themselves are payable to parents. Because of the inclusion of religious schools, it was feared that payments directly to the schools could trigger First Amendment problems. By awarding the vouchers to the recipient families themselves, drafters modeled the program after the GI Bill, which, like the Cleveland voucher program, reimburses students for tuition at sectarian schools.

Drafters modeled the program after the GI Bill, which, like the voucher program, reimburses students for tuition at religious schools.

Seven myths about vouchers

Myth no. 1: *Vouchers in Cleveland siphon money away from underfunded public schools.*
Fact: Cleveland public schools still receive per-capita funds for students enrolled in the voucher program. In 1997, for example, the net revenue received by Cleveland Public Schools exceeded voucher program costs by $118,473.* Moreover, a competitive education system ought to encourage schools to compete for students and their accompanying resources.

Myth no. 2: *Cleveland schools were getting better without the voucher program.*
Fact: A federal judge had just placed the entire Cleveland public school system into receivership under the state superintendent before the pilot voucher program was enacted.

Myth no. 3: *Parents don't want vouchers.*
Fact: The program received 6,244 applications for only 1,700 advertised seats. That's more than three applications for every available seat. Parents clearly want a choice.

Myth no. 4: *Vouchers will destroy public schools.*
Fact: Public schools facing competition for the first time have responded by improving. Two Cleveland public schools reorganized, assigned new teachers, and overhauled their approach to discipline when a private school opened nearby.

Myth no. 5: *Private schools will take only the best public school students.*
Fact: Voucher students in Milwaukee had lower grades and were poorer than the average student in the Milwaukee public schools when they applied for a voucher. This was true in Cleveland as well.

Myth no. 6: *Vouchers will foster class conflict.*
Fact: There are already divisions between suburban districts that excel and inner-city districts that do not. By improving test scores for urban children, vouchers reduce the difference.

Myth no. 7: *Vouchers violate the constitutional separation of church and state.*
Fact: For years, Ohio has given private schools $615 per student to defray transportation and other expenses. Also, vouchers go directly to parents, not to schools. The family, not the state, decides where to spend it. The GI Bill does the same thing, giving vouchers to veterans to attend colleges of their choice, whether church-affiliated or not.

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* "Cleveland schools profit from scholarship program," *Policy Note* (Dayton, Ohio: The Buckeye Institute for Public Policy Solutions, June 1997).

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Inventing the wheel

"I went to every Cleveland Housing Authority housing project. I knocked on doors and sent out mailings. I visited churches."

- Bert Holt, program administrator

Some proponents of the voucher program had hoped that it would begin operation in September 1995. The program, however, was so unlike anything that had ever been done in Ohio before that an extra year was needed to ready it for implementation.[60]

Hiring a program administrator was the first order of business. Governor Voinovich chose Bert Holt, a woman who had worked as an administrator for the Cleveland Public Schools and was nearing retirement. "I started work in the second week of October," she said. "I was called to go to Columbus. I didn't know what it was about. There I met with Tom Needles and Paul Palagyi of the Governor's Office, and they had the application already filled out for me."[61]

She faced several formidable tasks in getting the program off the ground. An office had to be set up from scratch. Office procedures had to be established. The program had to be publicized. Private schools had to be contacted and persuaded to participate. Applications had to be distributed and screened.[62]

Ms. Holt knew that grassroots public relations would be essential to the program's success. Since 75 percent of the urban poor in Cleveland do not read the local paper, she knew she could not rely on traditional media. So, she employed less orthodox methods to get the word out. "I went to every Cleveland Housing Authority housing project," she said. "I knocked on doors and sent out mailings. I visited churches."[63]

Her efforts worked. She and her small staff received so many calls that they worked 12 or 13 hours a day, much of it just answering the phone.[64] Subsequent surveys showed that 40 percent of families that qualified were not aware they were eligible for vouchers.[65] That number would surely have been higher were it not for Bert Holt.

But in fielding those calls, Ms. Holt learned that harmful rumors and disinformation were being spread by voucher opponents. Children in the public schools were being told that if they enrolled in private schools, they would be put back a grade or more. Parents heard that private schools were interested only in "cherry-picking" the best public school students, and that they weren't interested in poor children or underachievers. They heard that private schools would treat their children differently due to income level or race. They heard that they were unqualified to make the right decision regarding the education of their children. Ms. Holt and her staff spent an inordinate amount of time dispelling these rumors.

After signing up numerous private schools, Ms. Holt organized a schools fair at the Cleveland Convocation Center on January 22, 1996.[66] Representatives of 57 different schools attended. Many of them had been skeptical about the willingness of voucher parents to make the commitment the schools typically expected of parents, but the fair dispelled their fears. "That was a proud moment for me," Ms. Holt said. "Some of them had told us they had only a few seats available, like five or ten. After meeting the parents, many of them increased their capacity. After that fair, we had more than enough seats for our students."[67]

Another problem was lack of cooperation from the Department of Education, the agency supervising the program. "The DOE tried to sabotage us," Ms. Holt said. It was nearly impossible even to buy pencils and pens through the DOE. The agency dipped into the program's budget without her knowledge. She eventually persuaded Governor Voinovich to redraw the organizational chart so that she could report directly to him. One proponent of vouchers said that, if it were done all over again, "We wouldn't have had the Department of Education run the program."[68]

Opponents of the program also expressed their opposition in uglier ways. One ill-wisher made an anonymous telephone threat. As a result, Ms. Holt no longer gives out her office's address, and allows visitors to enter the office only after identifying themselves by intercom. A virus introduced into the office's computer in September 1996 nearly destroyed the entire database of students, applicants, and schools.[69]

Harmful rumors and disinformation were being spread by voucher opponents.

Transportation headaches

The public school officials who determined bus routes were unwilling to accommodate the needs of voucher students.

But the biggest headache of all faced by Bert Holt has been transportation.

Most students travel to and from school on buses provided by the Cleveland public schools. Many scholarship students used their vouchers at schools not located near established bus routes. The public school officials who determined bus routes were unwilling or unable to accommodate the needs of voucher students. Students off the beaten track had no choice but to commute by taxi. Ms. Holt has had to hire an additional staff employee solely for the purpose of devoting full-time attention to students' transportation needs.

Taxis, of course, are expensive. It costs the program $6 a day to transport students by bus versus $18 a day by taxi.[70] Local regulations exacerbate the problem. Though many Cleveland citizens with good cars and excellent driving records are willing to provide reduced-rate transportation to voucher students and others, Cleveland ordinances effectively outlaw transportation entrepreneurship.[71] Thus, voucher students found themselves caught between a hostile educational establishment on one side that withholds legally required bus transportation and a regulatory regime on the other side that prohibits effective private transportation.

Several good reasons exist why a parent might choose a school not near his or her home. "It might have special programs," said Lee Lundblad of the Catholic Diocese of Cleveland, "such as sports or a foreign language. Or it might be near a parent's place of employment. Another reason might be, for a voucher student who received a voucher in the middle of the school year, that all the schools near his home might be full. Then that student, in order to use the voucher, would have to travel some distance."[72]

The problem began with a decision of the Cleveland Public Schools (CPS). The voucher program required CPS to provide bus transportation to voucher students. Rather than providing each voucher student with bus service, CPS chose instead to offer an end-of-the-year reimbursement of up to $180 to each voucher parent.[73] "They thought they had us," says Holt. "They thought they had killed off this program by seeing to it that the students couldn't get to school."[74] In a meeting on August 21, 1996 — just days before school was to begin for most of the students — CPS transportation director Mike Malloy told Holt that CPS would not be able to provide any transportation for voucher students.[75] By that date, six of the participating 49 schools had already opened, with 34 more scheduled to open in the next seven days.

"It was the worst mistake to put this program under the DOE," Holt says in

retrospect. "They didn't own it or want it. They threw bureaucracy at you, laying traps all the time. I was thwarted at every juncture."[76] State Representative Bill Batchelder is more direct: "All the educrats have attempted to stop school choice. It's almost impossible to believe that it could happen by accident. These people blamed it on vouchers and then leaked it to the papers."[77]

In addition, the transportation reimbursement is not paid directly to the student, but to the local public school district. That district then, theoretically, reimburses the student's family. But the paperwork required by this needlessly-multilayered process was unfamiliar to voucher families, many of whom had no previous experience with private schools. While the voucher covered tuition, the Ohio Department of Education controlled the budget for transportation.

With time, Bert Holt has been able to get the program's transportation problems under control. In October 1996, 645 students were taking taxis to school. When the program expanded to 2,983 voucher students by October 17, 1997, 1,167 were taking taxis and 581 were riding buses. By March 2, 1998, only about 450 used taxis,[78] with the number continuing to decline to 330 as CPS agreed finally to begin providing bus transportation.[79] Commenting on the change in policy, Batchelder states, "[n]ot even a 'whoops' from the Department of Education."[80]

Now, the budget fashioned for the voucher program by the DOE includes a specific line-item for transportation. The DOE's budget currently provides $7.1 million for the voucher program. The calculations for per pupil expenditures, however, are based on projections from December 1996, when the program was just three months old. While those projections have proved inaccurate, Ms. Holt nonetheless has managed her budget accordingly.[81]

Commenting on the change in policy, Batchelder states, "[n]ot even a 'whoops' from the Department of Education."

Transportation:

The dilemma of voucher students

Cleveland voucher students attending schools not located near bus routes, and whose parents do not own cars of their own, often find that they have no choice but to use taxis. Taxis, however, are about three times more expensive than school buses.

One solution is to allow good drivers who own safe vehicles to offer charter van services or other alternative transportation at a competitive rate for voucher students. The operation of such services by private citizens, however, is illegal due to an archaic regulatory regime enacted in the 1930s. According to one recent study:

- Cleveland requires taxi owners to operate fleets containing a minimum of 25 cars. So, unless you own 25 cars, you can't ask a passenger to pay for transportation services in Cleveland.
- A taxi in Cleveland can charge only by the mile. Charging by the trip, regardless of length or traffic, is illegal. Thus, charter van owners must install expensive electronic meters on all vehicles.
- In a barrier-free environment, a transportation entrepreneur could start his own company with a capital investment of only about $10,000 for a clean, safe used car and appropriate insurance.
- The few large cab companies that monopolize the private transportation market in Cleveland monitor the regulatory environment there to thwart reform.

Source: *Taxicab Regulation in Ohio's Largest Cities* (Dayton, Ohio: The Buckeye Institute for Public Policy Solutions, October 1996).

The HOPE Academies

After the lottery and the start of their first school year with vouchers, some students had difficulty adjusting to the parochial school regimen. For one thing, students were not used to wearing uniforms. "Parents were shocked and surprised to receive phone calls in the morning when their children were absent," said Lee Lundblad. "They were also surprised by the volunteer hours that were required as well as the constant invitations to come to the classroom."[82] But the transition eventually smoothed out. As Ms. Lundblad said, "One teacher told me recently, 'In the beginning it was voucher and non-voucher students. But now they are all our kids.'"[83]

Perhaps the most remarkable success story, though, concerns two schools established for the sole purpose of meeting the demands of voucher parents for more educational alternatives. These non-profit schools — the HOPE Academies — did not even exist when the Governor signed the scholarship program into law. In the short time since then, the HOPE Academies have provided top-notch instruction on a shoestring budget for almost 20 percent of all students in the voucher program.

The smaller of the two HOPE Academies is in the Tremont neighborhood near downtown Cleveland. Its present enrollment is 142. Its larger twin is HOPE Central Academy on Cleveland's East Side with an enrollment of 330. Both schools enroll only voucher students. The combined enrollment of 472 students in the 1997-98 school year is up from 221 students in the 1996-97 school year.[84]

The founder of the HOPE Academies, David Brennan, also chaired the Governor's Commission on Educational Choice in 1992 and 1993. An Akron entrepreneur who had, until then, confined his energies to buying and reviving failed companies, he became interested in education reform when he saw evidence of falling education standards in his work force. When he learned that two-thirds of his employees at one plant were incapable of simple arithmetic like averaging and plotting graphs, he instructed managers to test employees at other plants. He found that one third of his present employees and half of all new job applicants were illiterate, and that two-thirds of present employees and 90 percent of applicants were "innumerate," or incapable of performing simple math.[85]

In the spring of 1996, HOPE Bridge Avenue Academy on the second floor of an old Cleveland West Side church was opened for visitors. The second HOPE Academy soon followed suit. While three more non-profit academies were initially planned, with each to operate autonomously with its own board of directors, it became apparent that having

"In the beginning it was voucher and non-voucher students. But now they are all our kids."

- Lee Lundblad, Catholic Diocese of Cleveland

fewer schools would be more efficient. Only modest enrollments at each site were expected at first. "Nobody expects that we are going to open these schools with 100 students. That would be a very unexpected thing," said one HOPE organizer at the time.[86] The academies had hoped each of the five schools could attract 25 students.[87] However, enrollments at the two existing academies vastly exceeded initial estimates: 330 in one and 142 in the other.

HOPE's founder became motivated when he learned that one-third of the employees in his manufacturing business and half of all new job applicants were illiterate, and that two-thirds of employees and 90% of applicants were innumerate.

One reason for confining HOPE's initial effort to two schools was the unavailability of suitable facilities. The Antioch Baptist Church on Cedar Avenue was willing, at first, to allow its building to be used for a HOPE academy. The minister of the church, Rev. Marvin McMickle, had initially greeted the HOPE proposal with enthusiam. But voucher opponents, eager to see the program fail, eventually persuaded him to see a "conflict" between hosting an alternative school and serving on a public school board. The church withdrew its offer.[88]

Unlikely educator: David Brennan

David Brennan, the founder of Cleveland's HOPE Academies, had his epiphany on school choice in 1989 when his wife Ann Brennan showed him a book containing this anecdote:

Envision a law that required you to buy a Buick every three years, whether you wanted one or not, and you had to pay a Buick tax even if you declined to take the car. That didn't prevent you from buying a Chevrolet or a Plymouth (if these alternatives existed), but you still had to pay the Buick tax. What would happen to the quality of Buicks under this scenario? What would happen to the cost of Buicks with this lock on the market?

"When I read that, it struck me like a blow to the head," said Brennan. With guaranteed revenues and little if any competition, the quality of Buicks would fall while their cost would rise.

After studying other education reform proposals, Brennan committed himself to doing something about school choice.

The shortage of available seats for voucher children in existing private schools made HOPE's role essential. In the program's first year, 1,681 vouchers were awarded, but Bert Holt had been able to locate only 1,372 seats. Four hundred of those openings were in new schools, including HOPE Academies. "This much is certain," wrote on observer. "Established private schools in the program cannot accommodate every child with a voucher without substantially adding classes and staff — reinforcing the need for new schools." "The HOPE schools," said Bert Holt, "are going to play a major role."[89]

The HOPE Academies stress discipline, a high ratio of adults to students, and computer use. Each classroom, which can contain up to 30 students, has a teacher, a teacher's aide, and six computers. Students must wear uniforms and conduct themselves in an orderly, courteous manner. The HOPE schools had problems at first with discipline. But teachers responded by making discipline the prime focus during those first weeks. "Once the culture was established," said Brennan, "it hasn't required as much effort to keep it going."[90]

In addition to fostering a culture of respect for students, HOPE Academies adhere to meaningful academic standards. They do not grade on a curve, as many schools do, where certain, fixed percentages students will automatically get A's and B's. John Morris, principal of the academies, said that grades at HOPE gauge actual achievement, so that a whole class can get high marks if they all can meet their grade's achievement goals or low marks if they all fall short.[91] Curved grading shields teachers and administrators from public scrutiny, providing no measure for determining whether a school is performing well.

Before HOPE, new private schools for voucher students were only a hypothetical market response to the demand that vouchers were expected to create. After HOPE, the market reaction posited by voucher proponents was a proven reality.

After HOPE, the market reaction posited by voucher proponents was a proven reality.

60 percent of parents of scholarship students were very satisfied with the program.

The results

In September 1997, the Harvard University Program on Education Policy and Governance (PEPG) released a study of the Cleveland Scholarship Program. The team, consisting of Dr. Jay Greene, from the University of Texas, William Howell from Stanford University, and Dr. Paul Peterson from Harvard, surveyed 1,014 parents of scholarship recipients (and 1,006 parents who had applied for scholarships but did not receive one) then analyzed the test score data.

They reported seven findings:

First, parents of scholarship recipients were much more satisfied with every aspect of their schools than were applicants who did not receive a scholarship and remained in public schools. Regarding satisfaction with the academic quality of the school, 60 percent of parents of scholarship students were very satisfied, compared with less than 30 percent of parents whose children remained in public schools. On discipline, 55 percent of parents of scholarship students were very satisfied, compared with only 23 percent of parents of students in Cleveland public schools.

Second, test scores in math and reading showed large gains at HOPE Academies. Relative to the national norm, in tests conducted in May 1997, HOPE students gained 5 percentile points in reading and 15 points in math. This was coupled with a 5 percentile point decline in language skills.

Third, choice schools did a good job of retaining students. Only 7 percent of students enrolled in a choice school failed to complete the academic year at that school.

The Harvard study's findings about the Cleveland voucher program

- Parents much more satisfied
- Students gained 5 percentile points in reading
- Students gained 15 percentile points in math
- Higher percentage of kids completing the academic year
- Students opting to stay in public schools usually did so for non-academic reasons
- Academic quality and safety were voucher parents' biggest motivators
- Average family income of voucher students lower than non-recipients

Fourth, the study found that voucher students who opted to stay in the public school system did so more out of necessity than out of choice. Parents cited transportation problems as the top reason for staying in the public schools. Financial problems (including coming up with the 10 percent minimum parental contribution) were the next most-cited reason. Only a few — 21 percent — cited admission to a desired Cleveland public school, such as a magnet school or inability to secure admission to a desired private school, as the reason.

Fifth, academic quality and safety were the biggest concerns motivating parents to participate in the program. Reasons for applying for a scholarship, in descending order of importance, included academic quality (85 percent said "very important"); greater safety (79 percent), and religion (37 percent). Other respondents also mentioned location and friends as influencing factors.

Sixth, average family income of scholarship recipients was less than that of non-recipients. In other respects, such as mother's education, mother's employment, family size, and ethnicity, the two groups matched each other closely.

The report concluded that "both parental survey and initial test score results provide strong justification"[92] for continuing and expanding the program.[93] Others, however, dispute these findings. Since the PEPG study, a team of researchers at Indiana University has questioned the program's benefits. (See Appendix.)

The most ringing endorsements came from the voucher students themselves and their families. Nina Barrett, a voucher student, had struggled through the first grade in a Cleveland public school the year before. Now she gets A's and B's and can't wait to get to class each morning. "She's very proud of that," said her mother. "She's gained self-esteem."[94] Another parent boasts that her daughter now has the opportunity to spend half an hour a day in front of a computer.[95]

"By the time Antonea got to HOPE Academy, she was a total disaster," said another parent, Pamela Ballard. "I didn't know what to do about it. I had tried everything. Within two months her grades had changed, her attitude changed. She would have been a statistic without this program. She would have grown up to be having babies and being on drugs. She wouldn't have had a chance in life. I had so many problems with the Cleveland public schools that it was unbelievable. HOPE Academy was my last hope. I am thankful to God for this program." Ms. Ballard, in fact, is now considering re-entering school herself to redress her own unmet educational needs.[96]

Other parents noticed a change in their children's behavior and respect for oth-

"She would have been a statistic without this program. She would have grown up to be having babies and being on drugs."

- Pamela Ballard, parent of HOPE Academy student

ers. "Everybody is very disciplined," said Bobbi Roshell. "You don't see anybody running up and down the halls. I never see that, and I come here all the time."[97] "In the Cleveland schools, there is no discipline," added Lynn Morrison, another parent. "What I saw here was that every teacher knew where every student was. One of the big differences is that there is an expectation here and they make the kids follow it."[98]

Challenge in the courts

Legislators were determined to include religious schools from the beginning. Private schools, particularly the Catholic schools, never abandoned the inner cities and regularly achieve outstanding results. Governor Voinovich and other school choice proponents wanted to broaden access to this excellent, ready-made educational alternative. The inclusion of religious schools, however, became a lightning rod for legal attack from the start.

Those eager to see the program fail wasted no time. On January 10, 1996 — just two days after the voucher lottery — teachers' unions and public school administrators filed suit in Columbus' Franklin County Common Pleas Court.[99]

The suit requested an injunction on grounds that the program's inclusion of religious schools violated the separation of church and state required by the constitutions of Ohio and the United States. It also alleged that the program would cause irreparable harm to the Cleveland public school district by diverting public money to private schools. The OFT openly acknowledged its ultimate motive in bringing the action. Ron Marec, the OFT's president, minced no words when he identified the union's goal: "We want to basically stop the program."[100]

Three weeks later, a second suit was filed in the Franklin County Common Pleas Court. The second suit made the same allegations as the first. It was filed by Americans United for Separation of Church and State, the American Civil Liberties Union, the OEA, and Norman Lear's lobby, People for the American Way.[101]

Parents of children in the voucher program did not take the news sitting down. On June 21, supporters rallied in front of the Statehouse. Some of them were parents and children who had received vouchers. One of them, Jennifer Kinsey, a mother of four, who had been awarded a voucher for her youngest daughter, five-year-old Jermaine. "A lot of things are broken with the Cleveland system," she said. "Jermaine is very smart. I wanted her to have a better chance."[102]

The two suits were consolidated. Judge Lisa L. Sadler was assigned to the case. Robert Chanin from the National Education Association represented the unions. Clint Bolick from the Institute for Justice, a public-interest law firm from Washington, DC, represented the voucher families with State Solicitor Jeffrey Sutton defending the program.

Chanin attacked the inclusion of religious schools. "What the defendants are asking you to do," he said, "is what

Ron Marec, the OFT's president, minced no words when he identified the union's goal. "We want to basically stop the program," he said.

In what may prove to be an important precedent for Ohio, the Wisconsin Supreme Court upheld the Milwaukee program.

no court in the country, federal or state, has ever done, and that's put taxpayer money in the coffers of private, sectarian schools." Bolick responded by pointing out the tragic record of the public schools in Cleveland. "This program is a life preserver for kids in the worst school districts," he said. He observed that only one in fourteen Cleveland eighth graders graduated on time from the twelfth grade, and that an equal number became crime victims inside the schools.[103]

On July 31, Judge Sadler denied the injunction request, ruling that the voucher plan was constitutional.[104] OFT president Richard DeColibus immediately vowed to appeal. He dismissed the decision as nothing more than a Republican judge upholding a Republican agenda.[105]

The promised appeal came on August 2, 1996. The Tenth District Court of Appeals permitted the program to continue pending the six-month appeal process.[106] The following May, a three-judge panel reversed Judge Sadler's ruling, holding that the Cleveland Scholarship Program did indeed violate the separation of church and state.[107] The court noted that no public schools accepted voucher students, and that, among private schools accepting voucher students, only a few were non-sectarian. Because an overwhelming majority of voucher students were being sent to sectarian schools, the court found that the "benefits of the program are limited, in large part, to parents who are willing to send their children to sectarian schools." The court accordingly held that the program violated constitutional guarantees of freedom of religion, as well as provisions that prohibit religious sects from controlling state education money and that assure state programs are uniform and available to all.[108]

The main point that concerned the appellate court was that no public schools had opted to participate in the program. The rules, of course, permit the use of vouchers at participating public or private schools, but public school districts must agree to participate in the program and must notify the state superintendent by March 1 of their intent to participate in the ensuing school year beginning in August. Having as little affection for the program as their counterparts in Cleveland, the adjacent districts effectively boycotted the program, some of them citing the low voucher amount as the reason.[109]

Voucher opponents were elated. But, as Clint Bolick pointed out, the decision did not strike down vouchers *per se*. Rather, it took exception only to the predominant role supposedly given to religious schools in the program.

In any event, the case is poised for eventual hearing by the Ohio Supreme Court and, after that, perhaps the U.S. Supreme Court as well. Significantly, the

Ohio Supreme Court ruled that the program may continue through the 1997-98 school year despite the appellate court's decision.[110] In what may prove to be an important precedent for Ohio, the Wisconsin Supreme Court upheld the Milwaukee school choice program in June 1998.[111]

Constitutional provisions affecting school choice

- **First Amendment** *(Congress shall make no law respecting an establishment of religion. [Interpreted by the US Supreme Court to apply to the states.])*

  The General Assembly dealt with this provision by specifying that vouchers are payable directly to parents themselves, not to schools. They consciously structured it around the postwar "GI Bill," which similarly awarded grants (one might even call them vouchers) to veterans who were free to use them at any college they wished, including those associated with churches.

- **Ohio Constitution, Article I, §7** *("No person shall be compelled to attend, erect, or support any place of worship, or maintain any form of worship, against his consent; and no preference shall be given, by law, to any religious society. . . . Religion, morality, and knowledge, however, being essential to good government, it shall be the duty of the General Assembly to pass suitable laws. . . to encourage schools and the means of instruction.")*

  The Ohio freedom-of-religion provision goes beyond the federal one by positively encouraging the promotion of "religion, morality, and knowledge." For this reason, voucher advocates assume that a program which passes muster under the First Amendment will pass muster under the parallel Ohio provision as well.

- **Ohio Constitution, Article VI, §2** *("The general assembly shall make such provisions, by taxation, or otherwise, as, with the income arising from the school trust fund, will secure a thorough and efficient system of common schools throughout the State; but, no religious or other sect, or sects, shall ever have any exclusive right to, or control of, any part of the school funds of this state.")*

  This provision gave rise to the recent *DeRolph* decision, which struck down Ohio's present public funding system. Originally, the main objection to the Cleveland program under this provision was its geographic limitation. The General Assembly has since addressed that problem by making the program available to any school district in receivership. (Right now, Cleveland is the only one meeting that description.) Further, the Ohio Supreme Court has ruled that "the sole fact that some private schools receive an indirect benefit from general programs supported at public expense does not mean that such schools have an exclusive right to, or control of, any part of the school funds of this state." *(Protestants and Other Americans United for the Separation of Church and State v. Essex, 1971.)*

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The future

Two important hurdles to the Cleveland program either have been or are likely to be overcome. First, when the Wisconsin Supreme Court ruled in June 1998 that Milwaukee's Parental Choice Program is constitutional, it set an important precedent for Cleveland. The Wisconsin court ruled that the program did not violate the First Amendment's prohibition of laws "respecting the establishment of religion,"[112] stating that the Milwaukee program neither advanced nor inhibited religion. As constitutional law scholar David N. Mayer notes, "[t]he court's sweeping decision bodes well for the Cleveland voucher program."[113]

Second, the program's transportation problems are now mostly resolved. Cleveland school buses now transport a majority of scholarship students, with fewer than 300 still using alternative transportation like taxis. A budget line item for next academic year will ensure that Cleveland scholarship students ride buses – just like other public and parochial students.

Although many state legislators cited the March 1998 Indiana University study to argue against the program, the study's conclusions are at best imprecise. As professors Paul Peterson and Jay P. Greene of the Program on education Policy and Governance at the John F. Kennedy school of Government at Harvard University conclude, the Indiana University study is "seriously flawed. Biases in design, data collection and analysis prevent it from telling us about the true effects of the scholarship program."[114]

Cleveland's reformers succeeded because they remembered a crucial principle: the legislative process is preferable to direct, mass-media democracy. The "essence of a republic," wrote Thomas Jefferson, is "action by the citizens in person, in affairs within their reach and competence, and in all others by representatives, chosen immediately, and removable by themselves."[115]

Proponents have tried ballot initiatives 21 times, and have failed 21 times. Those 21 failures all come at an extraordinary cost in both money and advocates' time. Furthermore, doing "end-runs" around legislators is not going to win any favors from them. School choice proposals, no matter what form they take, require continued support from legislators. The legislative route gives school choice advocates an institutional "buy-in"; representatives and senators participate in the decision and thus have a stake in its success.

By the same token, pilots and reforms of limited geographical scope lend themselves to legislative treatment. The same is true for programs that involve school finance, transportation, labor, and evaluation.

As is true with most successful pilots, Cleveland's lessons are destined to filter beyond its borders. Since its inception, there have been numerous school choice legislative efforts around the country. Texas efforts failed – but by one vote. Pennsylvania has considered a bill to offer scholarships to students in Philadelphia's low-performing public schools. New Mexico unveiled a school reform plan that includes scholarships. Indiana has unveiled a tax credit proposal for school choice, while Arizona and Minnesota have already passed them. In Ohio, the Cleveland program paved the way for recent charter school legislation that covers the "Big Eight" urban school districts.

No matter what obstacles lie ahead for school choice, it is hard to imagine public education will ever be the same. Teachers' union bosses and some school administrators may still feel nostalgia for the past, when voters seemed willing to lavish more money on any public school system no matter how poor the product – when increased failure automatically triggered increased funding. But, to their surprise, those free-spending days are over. Cleveland's experience is changing the way people view education.

The Cleveland experience has surprises in it for *everyone* concerned about the future of education. Michael Fox, Cooper Snyder, and Patrick Sweeney surprised those who thought elected officials were incapable of resisting the demands of special interests with a stake in the status quo. Inner-city parents from Cleveland neighborhoods surprised those who characterized scholarships as a pet project of wealthy outsiders. Governor Voinovich and other policymakers surprised those who thought they could make the program fail by refusing to cooperate and by frightening schoolchildren and parents. The HOPE Academies surprised those who assured us that private schools cannot function in a deregulated education marketplace. Private schools surprised those who were sure no one would accept children from the inner city.

And, above all, Cleveland's students surprised everyone, except themselves. For they have proven that even the most disadvantaged children in Ohio can learn, achieve, and excel, *if only given a chance*.

Appendix:

Addressing the Findings of the Indiana University Study

On March 16, 1998, researchers at the School of Education at the Indiana University (IU) – Bloomington released a year-long study. The study, commissioned by the Ohio Department of Education, sought to evaluate the effects of the Cleveland Scholarship and Tutoring Grant Program on participating students.

Researchers tested scholarship and non-scholarship students at the end of the third grade, the first year of the program. The students were tested on reading, language, mathematics, science, and social studies. These results were compared with second-grade test results, when both groups of students were enrolled in Cleveland Public Schools. The IU researchers concluded that "[w]hen available background characteristics and previous levels of achievement are controlled, there are no statistically significant differences between non-scholarship and scholarship students for scores on the third-grade total battery or any of the five subtests."[116]

1. Findings and Charges

Two HOPE schools with 36 students used a different achievement test than the one administered to other students in the study. Therefore, the IU study excludes these students from the evaluation. Their test (the California Achievement Test, Form E, Level 13) was not the same one administered to the other students (the Terra Nova Survey, Level 13, Form A). These students "completed a different achievement test under substantially different conditions."[117]

Response

Both the California Achievement Test and the *Terra Nova* Survey are designed by the same firm — CTB/McGraw-Hill — and a simple conversion formula is available for converting scores from one test to another. Results from the two tests are therefore comparable. Furthermore, the exclusion of these 36 students' scores (for whom complete socioeconomic data and student ID numbers were available for 31) reduces the sample size of scholarship students to just 94. This increases the likelihood that no difference between the voucher students and non-voucher students would be found. Moreover, the test used during the second grade was not the *Terra Nova* Survey, but instead the California Achievement Test — a different test from the one use during the third grade. The IU study therefore selectively applies its standard of longitudinal consistency (consistency across grades).

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2. Findings and Charges

The IU study excludes the 36 students from two HOPE schools because the testing was observed by proctors from John Carroll University rather than by the evaluation team itself.

Response

The IU study *includes* testing on second-grade students from Cleveland Public Schools who were *not* proctored by the evaluation team but instead by Cleveland Public School teachers. Again, the IU study selectively applies its standard of consistency.

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3. Findings and Charges

The IU study concludes that scholarship students did not outperform public school students and bases this conclusion upon second grade test scores.

Response

The second grade test scores are highly suspicious. First, they were collected under unobserved testing conditions. Second, the scores appear too high and do not correlate in the usual way with demographic characteristics. Furthermore, if the second grade scores are to be believed, they *are much higher than test scores collected just one year later*. In other words, the students lost 10 normal curve equivalent (NCE) points (18 national percentile points) in one year — "an extraordinary decline far beyond the most pessimistic portraits painted about American education."[118] When the third grade scores are compared without making adjustments for non-credible second grade results, the evaluation team finds that the scholarship students score considerably better on every single test — reading, language, mathematics, science, and social studies.

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4. Findings and Charges

The IU study attempts to control for differences between the voucher and non-voucher students in its sample by using eligibility for a free lunch as an indicator of income.

Response

Since 87 percent of Cleveland public school students receive free or reduced school lunches, using that measure fails to distinguish between the very poor and lower middle class students. *The models, therefore, are biased against showing significant, positive effects of the program.* Furthermore, no controls are introduced for mothers' education or fathers' education, two variables that have been shown to be powerful determinants of student achievement. In summary, the models inadequately control for potential differences between the groups.

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5. Findings and Charges

The IU study uses "sequential multiple regression" (otherwise known as step-wise least squares regression) to evaluate differences in scholarship and non-scholarship students.

Response

The statistical analysis used by the IU evaluation team — analysis of residuals of a regression equation (also known as sequential regression or *step-wise* least squares regression) — has been mathematically proven to be biased. The proof has been published in major peer-reviewed journals. As used by the evaluation team, this technique underestimates any positive effects of the scholarship program. Reports Harvard University professor Gary King, in an article entitled "How Not to Lie with Statistics," this statistical technique "has no useful interpretation" and that "one should not make too much of any interpretation of the residuals from a regression analysis [the technique used by IU] [and] it is not possible to draw fair conclusions." He reports that the estimate of the effects of the variable upon which residuals are regressed [the scholarship program, in this case] "underestimates" its true effect.[119]

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6. Findings and Charges

The IU study asserts that voucher and non-voucher student samples were controlled for similar socioeconomic variables.

Response

The IU study failed to control for age of the student. If no adjustment is made for the fact that many Cleveland public school students are "held back" and are therefore older, then research on school effects is flawed because older students receive higher percentile scores than is appropriate for their age. With young students especially, this can introduce serious biases in estimates of school effects. In the Milwaukee voucher program, estimates of the effect of school choice were noticeably larger once student age was taken into account.[120]

References and Notes

1. Desiree F. Hicks, "Foes rally to fight vouchers," Cleveland *Plain Dealer*, April 2, 1995, p. B4.

2. Scott Stephens, "Cleveland school-voucher plan debated in court for three hours," Cleveland *Plain Dealer*, June 25, 1996, pp. B1, B4.

3. Clint Bolick, "Blocking the exits: Libertarian opposition to school vouchers is an attack on freedom," *Policy Review*, no. 89 (Washington, D.C.: The Heritage Foundation, May/June 1998), p. 43.

4. *Washington Post*, June 2, 1995, p. A3.

5. *New York Times*, March 14, 1995, p. A10; Cleveland Plain Dealer, December 6, 1996, p. B1.

6. Associated Press, "State will run public schools in Cleveland," *New York Times*, March 5, 1995, p. 26.

7. Interview with Michael Fox, former State Representative and Education Committee Chairman, November 18, 1997.

8. Scott Stephens, "Voucher supporters state case," Cleveland *Plain Dealer*, February 1, 1995, p. B1.

9. Charlene Haar, Myron Lieberman, and Leo Troy, "Teacher Union Political Operations: Three Case Studies," *The NEA and AFT: Teacher Unions In Power and Politics* (Rockport, Massachusetts: Pro-Active Publishers, June 1994). Obtained from Education Policy Institute web site, http://www.schoolreport.com/epufiles/neaftbk/book.htm. Haar, Lieberman, and Troy list the following as "Citizens Against Proposition 174 Coalition" campaign contributors:

California Teachers Association	$12,300,000
California School Employees Association	$1,300,000
California Federation of Teachers	$1,100,000
Association of California School Administers	$450,700
California State Council of Service Employees	$310,000
California School Boards Association	$257,800
Total	$15,718,500

The California Teachers Association assessed its 225,783 members $57 each to fund the $12.3 million necessary to defeat Proposition 174. (Philipp M. Gollner, "On the California ballot: should the state help pay for private-school pupils?" *New York Times*, August 4, 1993, p. B9) Some of the above amounts were subsequently revised upward. In addition, the million-member California Parent Teacher Association (CPTA) provided volunteers for the Coalition.

10. Public choice theorists in economics explain why demagoguery works so well in initiative elections: "Since [the voter] realizes that his individual vote will not determine the outcome, he will not invest in costly information search activities. Individuals simply have no incentive to invest their time and other resources in obtaining and sorting out information on public sector issues in order to make more informed voting decisions. They will remain rationally ignorant." David B. Johnson, *Public Choice: An Introdution to the New Political Economy* (Mountain View, California: Bristlestone Books, 1991), p. 143.

11. One observer from the American Federation of Teachers speculated before T.V. cameras that the state would be forced to accept "a cult school," or a "Ku Klux Klan or Farrakhan" school. Bella Rosenberg, "The Right Reform?" *PBS Newshour Backgrounder*, September 10, 1996. Obtained from web site http://www.pbs.org/newshour.

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12. Twenty of the twenty-six states that prohibit initiatives are east of the Mississippi River. In the East, only seven states allow citizen initiatives: Maine, Massachusetts, Michigan, Illinois, Ohio, Mississippi, and Florida. In contrast, only seven states west of the Mississippi River prohibit initiatives: Minnesota, Iowa, Kansas, Texas, Louisiana, New Mexico, and Hawaii.

13. Figures are from 1997 and were obtained from the U.S. Bureau of the Census, 1990 Census of Population and Housing, Population and Housing Unit Counts (CPH-2); Current Population Reports, P25-1106; and "ST-97-1 Estimates of the Population of States: Annual Time Series, July 1, 1990 to July 1, 1997"; release date December 30, 1997. There are 27 states and the District of Columbia (totaling 160,034,283 people) east of the Mississippi River, with 7 states (with 58,129,053 people) permitting initiatives and 20 states (with 101,905,230 people) prohibiting them. There are 24 states (totaling 107,601,778 people) west of the Mississippi River, with 17 states (with 70,761,507 people) permitting initiatives and 7 states (with 36,840,271 people) prohibiting them. Overall, 128,890,560 Americans (or, 48.16%) live in states which permit initiatives and 138,745,501 Americans (or, 51.84%) live in states which prohibit them.

14. U.S. Bureau of the Census, Current Population Surveys for March 1995, 1996, 1997. Figures are total number of children under age 19, all income levels (3-year average of 1994, 1995, 1996). 38.091 million children (51.47% of the 74.001 million children in the U.S.) live in states without an initiative process. State figures for child poverty, defined at 200% of the poverty level, and state figures for total children under age 19, all income levels (3-year average of 1994, 1995, 1996), are from the U.S. Census Bureau. Data obtained from web site http://www.census.gov/hhes/hlthins/lowinckid.html, citing Current Population Surveys, March 1997, 1996, and 1995. The threshold of 200% of the poverty level equalled $24,316 in 1995 for a family of three. Source: U.S. Department of Commerce, *Statistical Abstract of the U.S.* (Washington, D.C.: Government Printing Office, 1997), Section 14, Table 738, p. 476, citing U.S. Bureau of the Census *Current Population Survey* P60-194 and earlier reports.

15. Data from the Ballot Initiative Strategy Center website http://www.ballot.org/background/history.htm.

16. Data for the November 3, 1998, election. Obtained from the National Voter Outreach website http://207.222.193.107.

17. Daniel McGroarty, *Voucher Wars: Strategy and Tactics as School Choice Advocates Battle the Labor Leviathan* (Indianapolis: Milton and Rose D. Friedman Foundation, April 1998), p. 14.

18. Interview with Mike Krusee, Texas State Representative, April 7, 1998.

19. Robert C. Johnston, "School Choice Picks Up New Allies in States," *Education Week*, December 10, 1997. Obtained from web site http://www.edweek.org.

20. David W. Kirkpatrick, *Choice in Schooling* (Chicago: Loyola University Press, 1990), p. 25.

21. Interview with Cooper Snyder, former State Senator and Education Committee Chairman, March 24, 1998.

22. *Ibid.*

23. Interview with David Brennan, businessman and former Chairman of the Governor's Commission on Educational Choice, November 20, 1997.

24. The Governor's Commission on Educational Choice, *The Ohio Scholarship Plan* (Columbus, Ohio: December 1992). Annual statewide savings on p. 67.

25. *Ibid.*

26. *Ibid.*

27. *Ibid.*

28. *Ibid.*

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29. The bill also proposed to track another 4,000 similarly-situated students from the same cities. The two groups would be studied for five years, starting in the 1993-94 school year. At the end, the two groups would be compared to determine whether vouchers affect actual educational achievement.

30. Interview with Michael Fox, November 18, 1997.

31. *Ibid.*

32. *Ibid.*

33. Mary Beth Lane, "Bill proposes 5-year test of voucher plan," Cleveland *Plain Dealer*, January 24, 1992, pp. C1- C2.

34. Hope for Ohio's Children, "The Time for School Choice is Now!" pamphlet, n.d.

35. "Voinovich to back school vouchers," Cleveland *Plain Dealer*, September 16, 1993, p. B3.

36. Union membership as of January 1996 was 6,453. *Cleveland City School District Performance Audit*, official publication of Auditor of State Jim Petro, (Columbus, Ohio: State of Ohio, March 15, 1996), pp. 11-13.

37. "Almost any conceivable collective action will provide more benefits to some citizens than to others, and almost any conceivable distribution of a given cost sum will bear more heavily on some individuals and groups than on others . . . . [I]t is the opportunity to secure differential benefits from collective activity that attracts the political profit-seeking group. Moreover, these differential benefits may be secured in either of two ways. First, activities may be approved which cause benefits to accrue to selected individuals and groups but which impose costs generally on all members of the community. Secondly, activities may be approved which provide general benefits to all members of the community but which impose costs on certain selected individuals and groups." James M. Buchanan and Gordon Tullock, *The Calculus of Consent: Logical Foundations of a Constitutional Democracy* (Ann Arbor, Michigan: The University of Michigan Press, 1965), pp. 291-292. Other economists have cited rational voter ignorance in the advantage that special interests such as the Ohio Education Association and the Ohio Federation of Teachers have over school choice proponents in promoting taxpayer-funded government schools: "The harm done to each members of the majority by one policy is quite small and in many cases difficult to estimate. (What annual cost do you bear from milk price supports or subsidies to airports?) Voters are often rational in not making an attempt to estimate the damage done from hundreds of policies that affect them only slightly and often indirectly. Instead, they concentrate on policies that have large and obvious effects on their own well-being, that is, on special interest legislation that benefits or harms them." Edgar K. Browning and Jacqueline M. Browning, *Public Finance and the Price System*, 4th ed. (New York: Macmillan Publishing Company, 1994), pp. 81-82.

38. *Ibid.* During 1997, the highest paid (in gross salary and expenses) OEA lobbyists and labor negotiators/political organizers ("UniServ consultants") were:

1. Benjamin Gerber, UniServ consultant $145,112
2. Edward Spiezio, UniServ consultant $144,309
3. Dennis Coughlan, UniServ consultant $140,990
4. William Canacci, UniServ consultant $140,537
5. James Romick, UniServ consultant $140,241
6. Alan Adair, Jr., UniServ consultant $137,906
7. Dorothy Fay, UniServ consultant $137,590
8. Thomas Scarpelli, UniServ consultant $137,256
9. Charles Williams, UniServ consultant $134,095
10. Mary Jo Shannon Slick, UniServ consultant $132,971

11. Michael Shanesy,
UniServ consultant $131,912
12. Donald Looker,
UniServ consultant $125,058
13. Jane Currey,
UniServ consultant $107,973

39. Although the average teacher in Ohio earned $49,354 in cash compensation and benefits during 1997, the average OEA staff member earned $91,670, with 28 staff members earning over $100,000 and nine earning over $140,000. Source: Education Intelligence Agency, *Piles of Wealth: Teacher Union Staff Compensation* (Carmichael, California, June 1998), p. 17, citing Report Form LM-2, "Labor Organization Annual Report," U.S. Department of Labor, Office of Labor Management Standards (Washington, D.C.: U.S. Government Printing Office, 1997). During 1997, the top earning (in gross salary and expenses) OEA staff members, excluding lobbyists and labor negotiators/political organizers ("UniServ consultants"), were:

1. Mike Billirakis,
president $166,733
2. William P. Sundermeyer,
executive director $164,347
3. William Dorsey,
secretary-treasurer $148,208
4. Gary Allen,
vice president $145,988
5. Richard Bourgault,
executive manager $120,608
6. Barry Bartelt,
computer services consultant $119,907
7. Richard Baker,
magazine editor $119,082
8. Jerome T. Rampelt,
director $116,272
9. Christopher Turner,
director $115,647
9. Daniel Burke,
computer services consultant .. $113,305
10. Dennis M. Reardon,
executive manager $104,786
11. Ellen Currie,
director $104,705

40. UniServ consultants are trained by the National Education Association (NEA) and act as labor negotiators and political organizers. Part of their salaries are paid by grants from the NEA, which sends back to the state organizations dues monies sent to the NEA by teacher-members. These members' dues amounted to $107 in 1996-97 (National Education Association, *Strategic Plan and Budget, Fiscal Year 1996-97* [Washington: National Education Association, 1996], p. iii). The NEA returned $24 to the states in UniServ grants. (Myron Lieberman, *The Teacher Unions: How the NEA and AFT Sabotage Reform and Hold Students, Parents, Teachers, and Taxpayers Hostage to Bureaucracy* [New York: The Free Press, 1997], p. 53.) UniServ grants ($40,516,815) and training ($1,993,460) amounted to 22.1 percent of the total NEA budget of $192,767,400. (National Education Association, pp. 19, 41.)

41. UniServ directors ("consultants") conservatively spend one-third of their time on political organization. (See Lieberman, p. 103.) Records (like employee timesheets) exposed by agency fee litigation, however, have shown that teacher union staff such as UniServ directors spend substantially more of their time than this on political operations. In the U.S. Supreme Court case *Chicago Teachers Union v. Hudson* 475 U.S. 292 (1986), the court determined that 95% of the agency fees were chargeable to the national office, i.e., were unrelated to collective bargaining and therefore political in nature. (See Lieberman, pp. 172-190.)

42. Interview with William Batchelder, House Speaker Pro Tempore, April 10, 1998.

43. Jonathan Riskind, "Panel against using taxes for school vouchers," *Columbus Dispatch*, October 6, 1993, p. B6.

44. *Ibid.*

45. *Ibid.*

46. Interview with Michael Fox, November 18, 1997.

47. *Ibid.*

48. H.B. 117, submitted February 9, 1995, which amended section 3313.974 through 3313.979 of the Ohio Revised Code. This was the budget bill for fiscal years 1996 and 1997.

49. Interview with former Paul Pelagyi, Special Assistant for the Governor, January 21, 1998.

50. *Ibid.*

51. Interview with Andrew Little, former President of The Buckeye Institute for Public Policy Solutions, January 8, 1998.

52. Scott Stephens, "Storming the statehouse, local voucher plan supporters state their case in Columbus," Cleveland *Plain Dealer*, February 1, 1995, p. B1.

53. *Ibid.*

54. *Ibid.*

55. Thomas Suddes, "School vouchers face House debate Thursday," Cleveland *Plain Dealer*, April 4, 1995, p. B4.

56. Two groups with First Amendment concerns over the inclusion of religious schools in the plan — the Ohio ACLU and the Interchurch Council of Greater Cleveland — also helped organize the rally.

57. Thomas Suddes and Benjamin Marrison. "House OKs state budget; school-voucher plan included," Cleveland *Plain Dealer*, April 7, 1995, p. A1.

58. Interview with Michael Fox, November 18, 1997.

59. "George Voinovich signs a two-year state budget, using his line-item veto powers to eliminate 18 provisions," Cleveland *Plain Dealer*, July 1, 1995, p. A1.

60. Mary Beth Lane, "Voucher program in Cleveland delayed," Cleveland *Plain Dealer*, August 12, 1995, p. B5.

61. Interview with Bert Holt, Director, Cleveland Scholarship and Tutoring Grant Program, November 13, 1997.

62. *Ibid.*

63. *Ibid.*

64. *Ibid.*

65. Paul E. Peterson, Jay P. Green, and William G. Howell, *An Evaluation of the Cleveland Scholarship Program. Program on Education Policy and Governance* (Cambridge, Massachusetts: Harvard University, September 1997).

66. Desiree F. Hicks, "Deadline is Monday to apply for Cleveland tuition vouchers," Cleveland *Plain Dealer*, December 28, 1995, p. B2. Article gives information about plans for school fair.

67. Interview with Bert Holt, November 13, 1997.

68. Interview with Thomas Noe, Member of the Governor's "Commission on Eductional Choice, March 27, 1998.

69. Interview with Bert Holt, November 13, 1997.

70. *Ibid.*

71. "[Cleveland Municipal Code] Sections 443.021 and 443.022 . . . prohibit the Commissioner of Assessments and Licenses from issuing a license to any company with fewer than 25 cars. The ordinance further prohibits the commissioner from issuing a license to an independent operator unless he or she is a member of an association approved by the Commissioner. An association is defined as a society organized for the purpose of benefiting a group of not less than 25 owners of 'public hacks' (or taxis). No associations currently operate in Cleveland. City taxi services are provided by only 3 large taxicab companies — Cleveland Yellow Cab, Zone Cab, and Americab. This may explain why

Cleveland's cap on taxicab licenses is set at 700, but only 293 licenses have been issued, a lower number than either Cincinnati or Columbus." *Taxicab Regulation in Ohio's Largest Cities* (Dayton, Ohio: The Buckeye Institute for Public Policy Solutions, October 1996), p. 16.

72. Interview with Lee Lundblad, Catholic Diocese of Cleveland, January 9, 1998.

73. The applicable statute says that "[t]he state superintendent shall make a grant to the pilot project school district [meaning Cleveland public schools] sufficient to defray one hundred per cent of the additional costs to the district of providing transportation to and from the alternative school for all students utilizing a scholarship to attend an alternative school." Ohio Revised Code, Section 3313.975(E).

74. Interview with Bert Holt, February 25, 1998.

75. Document entitled "Cleveland Scholarship and Tutoring Program Start-Up Transportation Chronology" prepared by Cleveland Scholarship and Tutoring Grant Program, n.d.

76. Interview with Bert Holt, February 25, 1998.

77. Interview with William Batchelder, April 10, 1998.

78. UPI wire service report, *Ohio News Brief*, January 28, 1998.

79. Michael Hawthorne, "Questions on school vouchers," *Cincinnati Enquirer*, March 31, 1998, p. B1.

80. Interview with William Batchelder, April 10, 1998.

81. Interview with Allen Endicott, Special Assistant to the Governor for Education, April 3, 1998.

82. *Ibid.*

83. *Ibid.*

84. Remarks by David Brennan at Hope Central Academy visitation day, November 20, 1997.

85. Interview with David Brennan, November 20, 1997.

86. Quoting Mary Ann Jackson by Desiree F. Hicks, "Opportunity rings a school bell," Cleveland *Plain Dealer*, February 20, 1996, pp. B1-B2.

87. *Ibid.*

88. *Ibid.*

89. *Ibid.*

90. Remarks by David Brennan at HOPE Central Academy visitation day, November 20, 1997.

91. Interview with John Morris, principal of HOPE Academies, November 20, 1997.

92. Peterson, Green, and Howell, p. vi.

93. Though the team acknowledged limitations in the data, the survey size was large enough, and the differences wide enough, to justify the study's conclusion that the program was working.

94. Cleveland *Plain Dealer*, January 22, 1997, p. B4.

95. Interview, HOPE Academy visitation day, November 20, 1997.

96. *Ibid.*

97. *Ibid.*

98. *Ibid.*

99. Scott Stephens and Desiree F. Hicks, "Educators, others sue over school vouchers," Cleveland *Plain Dealer*, January 10, 1996, p. B1.

100. Ibid.

101. Associated Press, "School voucher program is target of second lawsuit," Cleveland *Plain Dealer*, February 1, 1996, p. B4.

102. Mary Beth Lane, "Voucher backers rally for plan," Cleveland *Plain Dealer*, June 22, 1996, pp. B1, B6.

103. Scott Stephens, "Cleveland school-voucher plan debated in court for three hours," Cleveland *Plain Dealer*, June 25, 1996, pp. B1, B4.

104. Mary Beth Lane and Tom Breckinridge, "School vouchers ruled constitutional in Ohio," Cleveland *Plain Dealer*, August 1, 1996, pp. A1, A4.

105. *Ibid.*

106. Mary Beth Lane, "Voucher opponents ask for injunction," Cleveland *Plain Dealer*, August 3, 1996, p. B5.

107. Duane St. Clair, "School vouchers fail constitutional exam," *Columbus Dispatch*, May 2, 1997, p. A1.

108. *Ibid.*

109. National Educational Goals Panel, "Cleveland's voucher program: bumps along the way," *Daily Report Card*, February 26, 1996.

110. Catherine Candisky, "State officials file appeal to save school vouchers," *Columbus Dispatch*, June 7, 1997, p. B2.

111. See David N. Mayer, "A harbinger of hope: The Cleveland school voucher program should pass constitutional muster," *Perspective on Current Issues* (Dayton, Ohio: The Buckeye Institute for Public Policy Solutions, July 1998).

112. *Ibid.*

113. *Ibid.*

114. Paul E. Peterson and Jay P. Greene, "Assessing the Cleveland Scholarship Program: A Guide to the Indiana University School of Education Evaluation," telefacsimile (Cambridge, Massachusetts: March 31, 1998), Executive Summary.

115. Thomas Jefferson, letter to Major John Cartwright, June 5, 1824, in *Thomas Jefferson, Writings*, ed. Merrill Peterson (New York: The Library of America, 1984), pp. 1493-1494.

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